

Message Text

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PAGE 01 CANBER 02769 210844Z
ACTION EA-09

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03
INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03
SP-02 LAB-04 SIL-01 OMB-01 PA-01 PRS-01 /054 W
-----211209Z 039451 /20

R 210704Z APR 77
FM AMEMBASSY CANBERRA
TO SECSTATE WASHDC 259
INFO AMCONSUL SYDNEY
AMCONSUL BRISBANE
AMCONSUL PERTH

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E.O. 11652: N/A
TAGS: ELAB, AS
SUBJECT: WAGE AND PRICE FREEZE

1. FULL BENCH OF FEDERAL ARBITRATION COMMISSION HELD HEARING
ON PROPOSED QTE VOLUNTARY END QTE WAGE AND PRICE FREEZE APRIL 19
IN MELBOURNE AND LISTENED TO PRESENTATIONS FROM SPOKESMEN FOR
FEDERAL AND STATE GOVERNMENTS, EMPLOYERS AND TRADE UNIONS.
SPOKESMEN FOR FEDERAL GOVERNMENT AND EMPLOYERS CALLED UPON
COMMISSIN TO SUPPORT EFFORTS TO ACHIEVE CONSENSUS ON FREEZE BY
ENDORISING IT AND BY DEFERRING ACTION ON PENDING OR NEW WAGE CASES
FOR BRIEF BUT INDEFINITE PERIOD. SPOKESMEN FOR TRADE
UNIONS DISMISSED FREEZE WITH CONTEMPT AS FRUAUDULENT AND INEQUIT-
ABLE ANTI-LABOR POLITICAL GIMMICK, URGED COMMISSION TO REJECT
GOVERNMENT AND
EMPLOYER SUBMISSIONS AND SUPPORTED ACTU COUNTER-PROPOSAL FOR
PACKAGE DEAL INVOLVING PRICES, WAGES, TAXES AND TRIPARTITE CON-
SULATION. FULL BENCH DECISION WAS TO DEFER ACTION ON AS MANY
WAGE CASES AS POSSIBLE UNTIL SECOND QUARTER NATINAL WAGE
CASE HEARINGS BEGIN MAY 3 AND TO CONSIDER RESULTS OF EFFORTS
TO ACHIEVE CONSENSUS ON QTE VOLUNTARY END QTE FREEZE AT SAME
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TIME IT TAKES UP NATIONAL WAGE CASE. FULL BENCH COMMENDED
ACTU COUNTER-PROPOSAL.

2. MAKING RARE APPEARANCE AS ACTU SPOKESMAN BEFORE FULL BENCH,
ACTU PRESIDENT HAWKE BLASTED FREEZE PROPOSAL AS LATEST EVI-
DENCE THAT FRAZER GOVT'S ECONOMIC AND INDUSTRIAL RELATIONS
POLIES WERE BASED ON HYPROCRITICAL DOUBLE STANDARD AND SUG-

GESTED ALTERNATIVE WAYS OF UNDERTAKING TO RESOLVE COUNTRY'S WORSENING ECONOMIC AND INDUSTRIAL RELATIONS PROBLEMS. IN COURSE OF PRESENTATION HAWKE MADE FOLLOWING POINTS AMONG OTHER: SINCE REAL WAGES HAVE FALLEN UNDER WAGE INDEXATION SYSTEM WHILE PRICES HAVE CONTINUED TO RISE, DE FACTO WAGE FREEZE HAS BEEN HARD FACT OF LIFE IN AUSTRALIA FOR MONTHS: SINCE PROPOSED PRICE FREEZE WOULD NOT AFFECT ESTIMATED 30-40 PERCENT OF CPI-LISTED ITEMS E.G. IMPORTED GOODS, SEASONAL FOOD-STUFFS, IT IS RIDICULOUS TO TRY TO LINK HARD-OR-IMPOSSIBLE-TO ENFORCE PRICE FREEZE WITH EASY-TO-ENFORCE WAGE FREEZE. HAWKES' ALTERNATIVE COURSE OF ACTION CONSISTED OF FOLLOWING FOUR PROPOSALS: TRADE UNIONS TO JOIN EMPLOYERS AND PRICES JUSTIFICATION TRIBUNAL IN PROVIDING ADVICE ON WAYS AND MEANS OF STRENGTHENING PRICES JUSTIFICATION ACT; TRADE UNIONS TO DEFER PENDING PRODUCTIVITY-BASED CLAIMS FOR WAGE INCREASES BY UP TO THREE MONTHS; TRADE UNION LEADERS AND EMPLOYER AND GOVERNMENT REPRESENTATIVE TO MEET FOR WIDE-RANGING TALKS ON WAYS AND MEANS OF RE-

SOLVING COUNTRY'S ECONOMIC PROBLEMS; ACTU TO CALL SPECIAL CONFERENCE OF AFFILIATES TO CONSIDER CANCELLING PLANS TO REQUEST FULL CPI-BASED WAGE INCREASES FOR FIRST QUARTER OF 1977 IN EXCHANGE FOR COMPENSATORY CUTS IN DIRECT TAXES.

3. ACTU (HAWKE), ACSPA AND CAGEO REPRESENTATIVES SCHEDULED TO MEET WITH PRIME MINISTER AT LATTER'S INVITATION IN CANBERRA APRIL 20 FOR FURTHER TALKS ON FREEZE POSSIBILITIES.

4. COMMENT: IMPRESSION ONE GOT LISTENING TO APRIL 19 PROCEEDINGS WAS THAT NOBODY IN PACKED COURTROOM-NOT EVEN GOVERNMENT LIMITED OFFICIAL USE

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MENT AND EMPLOYER SPOKESMEN - BELIEVED THERE WAS MUCH CHANCE OF ACHIEVING QTE CONSENSUS END QTE ON QUTE VOLUNTARY END QTE WAGE AND PRICE FREEZE. IN WAKE OF TRADE UNION SUBMISSIONS WHICH DID NOT BEGIN UNTIL MID-AFTERNOON IT WAS QUITE OBVIOUS THAT GOVERNMENT WILL HAVE TO RESPOND IN VERY POSITIVE MANNER TO ACTU COUNTER - PROPOSAL IF IT HOPES TO ELICIT SIGNIFICANT AMOUNT OF TRADE UNION SUPPORT FOR ITS ANTI-INFLATION CAMPAIGN. PERCIVAL

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WAGES, ECONOMIC PROGRAMS, PRICES
Control Number: n/a
Copy: SINGLE
Sent Date: 21-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CANBER02769
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770138-0955
Format: TEL
From: CANBERRA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770435/aaaabdmdb.tel
Line Count: 106
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 40f8b0a1-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 16-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2741484
Secure: OPEN
Status: NATIVE
Subject: WAGE AND PRICE FREEZE
TAGS: ELAB, AS
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/40f8b0a1-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009